

**MINUTES OF THE
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
MONDAY, JANUARY 31, 2005, 2:00 P.M.
Room W135, West Office Building, State Capitol Complex**

Members Present: Sen. Howard Stephenson, Co-Chair
Rep. Gordon E. Snow, Co-Chair
Sen. Beverly Evans
Sen. Karen Hale
Rep. J. Stuart Adams
Rep. Ron Bigelow
Rep. Duane E. Bourdeaux
Rep. LaVar Christensen
Rep. Tim M. Cosgrove
Rep. John Dougall
Rep. James A. Ferrin
Rep. Julie Fisher
Rep. Karen W. Morgan
Rep. Stephen H. Urquhart

Members Excused: Pres. John Valentine

Staff Present: R. Michael Kjar, Legislative Fiscal Analyst
Ben Leishman, Legislative Fiscal Analyst
Cherie Schmidt, Secretary

Public Speakers Present: Pamela Atkinson, Community Advocate
Dave Steele, Adult Education
Jim Anderson, Adult Education Director, Salt Lake District
Patrick Ogden, Associate Superintendent USOE
Patti Harrington, Superintendent USOE
Rep. Carol Moss, Representative, COY
Vic Arnold, UEA

A list of visitors and a copy of handouts are filed with the committee minutes.

Committee Co-Chair Snow called the meeting to order at 2:10 p.m.

1. Minimum School Program - Related to Basic Programs - Mike Kjar, Legislative Fiscal Analyst, referred the Committee members to page iv of the Budget Brief Minimum School Program in the *Budget Analysis*. This page contains a funding spreadsheet detailing revenue amounts. Reference was made to Item C Related to Basic Programs beginning on Line 37. The first three items are the block grant programs that were created

by the Legislature in the last 3-4 years. Legislative action consolidated several line item programs to create the block grant programs. These categorical programs increased as issues were brought before the Legislature. The Block Grant Programs comprise the major consolidation of numerous programs over the years. They are entitled the way they are because the programs were consolidated into like groups. The appropriation for Intervention for Student Success Block Grant is recommended at \$15,308,708. There is no change in that recommendation from the current year funding. The Quality Teaching Block Grant appropriation is recommended at \$57,426,623. The third block grant Local Discretionary appropriation is recommended at \$21,824,448.

Rep. Adams raised a question concerning the inflationary nature of block grants. Mr. Kjar responded by stating that these programs are at the discretion of the Legislature or more specifically this Committee to make the determination as to whether they want to increase the grants because of program needs or to be consistent with inflationary increases. These grants have been increased when there has been an increase in the value of the WPU. Only six of the programs have been increased on the same percentage ratio as the WPU.

Mr. Kjar continued with an explanation of Social Security and Retirement. This program is established by statute providing costs related to social security and retirement. The increase in that program, approximately \$4.4 million, is related to growth costs of \$28 million. This increase is calculated in relationship to the growth increases in WPU items. The appropriation is recommended at \$261,482,231.

The appropriation for Pupil Transportation is recommended at \$57,061,128.

The Guarantee Transportation Levy was started a few years ago to provide extra income to rural districts that have great distances to go to participate in athletic programs for competition with other schools. The statute provides an opportunity to levy a tax, and the state matches those funds. \$500,000 is recommended for the matching monies.

The Math/Science Beginning Teacher Recruitment Program is listed on the spreadsheet with no funding because the Legislature eliminated the funds during the downturn of the economy. Governor Huntsman is recommending \$600,000 for infusion into that program for the next fiscal year.

The Highly Impacted School appropriation is recommended at \$5,123,207. This provides additional funding for services particularly in urban areas for high-risk children.

The appropriation for the At Risk Programs is recommended at \$24,778,484. An increase in appropriation is also recommended for the Youth-In-Custody Program. This is detailed in Issue Brief Youth-In-Custody in the *Budget Analysis*. The purpose of the

Youth-In-Custody Program is to provide educational services to persons under the age of 21 who are in the custody of the Department of Human Services or other detention facilities. General program guidelines for the Youth-In-Custody Programs require a one teacher to seven student instructional ratio, a minimum of 5.5 hours of instruction each school day, and the new Residential State Supervision Programs where students must work or have an experiential component for half of each day, academic testing and reporting, instruction in the Utah Core Curriculum, life skills, and vocational education.

The Youth-In-Custody Program has experienced significant growth with the implementation of a state-wide residential supervision program by the Division of Juvenile Justice Services, the expansion and addition of two-secure facilities, three new group homes, and two residential treatment facilities.

The Analyst recommends the appropriation of an additional \$912,200 for the growth costs associated with these programs for FY 2006. It is also recommended that a one-time supplemental appropriation of \$442,000 be made to cover the cost in FY 2005. This corresponds to the request from the State Office of Education and the recommendation of Governor Huntsman.

The Analyst also recommends that the Youth-In-Custody Program be examined to determine the most acceptable practices and cost-effective alternatives for serving these students.

Sen. Stephenson asked if a student enrolls in a district high school in September and that student is then incarcerated in November, is the enrollment in the district reduced or is the WPU funding in the district reduced as they transfer to a Youth-In-Custody Program. Patti Murphy with the State Office of Education responded by stating that the district would generate funds for the time that the student is enrolled in K-12 education. The student would then generate youth-and-custody funds once the transfer has been made. There is no double funding.

Mr. Kjar continued with an explanation of the Adult Education Program. The Analyst recommends \$5,826,865 be appropriated to this program. (A restoration of \$1.6 million is also recommended by the Governor for the Adult Education Programs.)

The next item discussed was the Accelerated Learning Program. The appropriation amount recommended is \$8,695,104. There are no recommended increases to this program.

The Issue Brief Electronic High School was discussed. The Electronic High School has been in operation since 1994 and provides a wide variety of courses to students.

Additional courses are added each year as interest and funding permit. The school provides a flexible, open-entry/open-exit curriculum that is competency based. There is tremendous interest in this type of school. The High School is currently unable to offer sufficient sections of classes to accommodate all students as there are insufficient funds to hire the necessary teachers. The Analyst recommends an additional appropriation of \$300,000 in FY 2006. This would bring the total program appropriation to \$1,000,000. It may be necessary for a supplemental appropriation again next year based on projections.

Sen Stephenson asked for material on credits earned.

The Issue Brief Reading Program was discussed. The Legislature created the K-3 Reading Improvement Program to achieve the state's goals of having third graders reading at or above grade level. Since the Reading Improvement Program has only been put in place for the current fiscal year, there is little or no data to evaluate its progress. The Governor's budget replaced \$1,000,000 of the one-time funding to provide a total program of \$13,500,000 for FY 2006. The Analyst recommends that program increases should be based on verified results.

Questions were raised among Committee members concerning the Reading Program. Additional explanation of the program was requested.

The Issue Brief Performance Plus was addressed. Performance Plus was created after the passage of Senate Bill 154 in the 2003 General Session of the Legislature. That bill directed the State Board and State Office of Education to focus on revising the core curriculum, increasing graduation requirements, ensuring that students are challenged and making educational progress, and developing and implementing competency standards. The areas of funding anticipated with additional dollars for Performance Plus include student interventions, professional development, classroom assessment materials, teacher stipends, and evaluation of districts' professional development programs. The total expected costs are \$16,000,000 for FY 2006. Governor Huntsman's program is recommending \$14,000,000 for this program. The Analyst recommends the appropriation of \$16,000,000 in one-time funding.

The U of U Reading Clinic appropriation is recommended at \$375,000.

Pamela J. Atkinson, Community Advocate, addressed the Committee concerning adult education. Ms. Atkinson stated that if \$1 is put into this program, a taxpayer will save \$5.57. This program is also reaching prison inmates. An appropriation request was made for \$2.6 million.

Dave Steele, Adult Education, USOE, also spoke in favor of appropriating funds to adult education. He stated that helping parents become educated in turn helps their children become better educated. Mr. Steele commented that \$1.6 million is needed to maintain federal funding.

Discussion continued in regards to the need of public education being involved in adult education. Mr. Steele stated that education should be considered as family education. Ms. Atkinson stated that parents are as proud of their education as their children are, and adult education fits into the continuum of education.

Jim Anderson, Adult Education Director of Salt Lake District, responded to a question from the audience concerning the number of adult education students who are immigrants. He gave figures regarding this number as it pertains to a school where he is the superintendent.

Patrick Ogden from the State Office of Education addressed the Committee concerning appropriation requests. These requests are items that were not recommended by the Analyst. The State Office is asking for \$3 million more in the transportation to and from school because of rising costs and student growth. The request includes a \$3,000,000 ongoing increase and a \$300,000 supplemental appropriation for the transportation program. Additional funding is also being requested for low-cost high-incidence children.

Mr. Ogden also responded to an earlier question on the Reading Program. He stated that the school districts were asked to submit a plan to show how the money appropriated for this program would be spent. Currently, there is not any one plan; each district has developed their own plan for the allocation of funds to this reading program. Mr. Ogden stated that the funding that the Legislature authorized was for \$12.5 million ongoing money and another \$2.5 million one-time money. The program was established with the idea that the appropriation would be \$15 million of ongoing money. The appropriation request is for the \$2.5 million to be ongoing.

Patti Harrington, Superintendent, USOE, also addressed the Committee concerning the Reading Program, and stated that this program is being monitored in each district. She said that a written report could be provided if necessary.

Patrick Ogden also discussed the Second-Step Performance Plus emphasis on math. This program assists 4-6 grade students in math. An appropriation request was made for \$16 million in ongoing funding. This funding will go primarily toward professional development.

2. Minimum School Program - Voted and Board Leeway Program - This agenda item was deferred until the Wednesday, February 2, 2005 meeting.
3. Requests for Appropriations - Rep. Moss discussed the Granite School District Truancy Reduction Demonstration Project. The Salt Lake County Commission of Youth (COY) is a nonpartisan coalition of citizens and professionals who are concerned about the welfare of children and youth. COY has selected truancy as a focus this year. COY is proposing that funding be obtained for a full-time family advocate/case manager (\$75,000 salary, benefits, supplies, training, and family interventions). Other representatives from COY spoke in support of this appropriation request. A handout was given to the Committee members detailing their appropriation request. Discussion followed concerning the need for this appropriation

Rep. Snow asked the Committee members to begin prioritizing the appropriation's list that was given to them so that discussion can begin on those items in Wednesday's meeting.

Vic Arnold from the UEA spoke in support of an appropriation request made by the State Office of Education for public education.

MOTION: Rep. Morgan moved to adjourn.

Committee Co-Chair Snow adjourned the meeting at 4:20 p.m.

Minutes were reported by Cherie Schmidt, Secretary